



19 October 2016

AGUIA COMPLETES \$8.5 MILLION PLACEMENT TO FUND COMPANY THROUGH TO COMPLETION OF BFS

Highlights:

- Heavily oversubscribed placement with strong support received from local and international institutional investors
- Capital raising provides sufficient working capital to fund an extensive works program and completion of Bankable Feasibility Study
- Infill drilling program at Três Estradas to commence immediately
- Offtake negotiations for phosphate and calcite are ongoing

Brazilian fertiliser developer Agua Resources Limited (ASX: AGR) (“Agua” or “Company”) is pleased to announce that it has successfully completed an \$8.5 million Share Placement (Placement) through the issue of 85,000,000 new Fully Paid Ordinary Shares to institutional and sophisticated investors at \$0.10 per share. The new shares will rank equally with existing shares on issue.

The Placement, which was led by Patersons Securities Limited, was heavily oversubscribed and Agua is pleased to welcome a number of new shareholders to the register, including Australian and international institutional investors, as well as participation from some existing shareholders. Agua thanks all investors for their support.

Proceeds from funds raised and Agua’s existing cash reserves will be used as follows:

- Complete an Infill drilling program at Três Estradas to commence immediately in order to convert Inferred Mineral Resources to Measured and Indicated Mineral Resources for the Bankable Feasibility Study (“BFS”);
- Fully commission all engineering and appoint a Lead Third Party to oversee the BFS completion;
- Commission a Column Flotation Pilot Plant Program at the Eriez Flotation Division in Pennsylvania;
- Conduct all Community Consultations and public outreach programs to complete permitting;
- Undertake exploration of recently optioned projects adjacent to Três Estradas; and
- Lease maintenance and general working capital purposes.

Agua’s Managing Director Justin Reid commented:

“We are grateful for the strong support received for this Placement and are delighted to welcome a number of new institutional investors to our register that recognise the value that can be unlocked from Três Estradas. The strong demand from investors is testament to the quality of the asset.

Agua now has the necessary funding to carry us through to the BFS, and we are continuing with an active works program to achieve this critical milestone as soon as possible. We are well into the project development phase for Três Estradas, and our immediate priority is to commence infill drilling at the project with rigs mobilising in the coming weeks.

We look forward to reporting on our operational progress and providing project development updates as they occur. As well, discussions are continuing with potential offtake partners for both the calcite and phosphate that will be produced at Três Estradas, and we look forward to progressing these negotiations.”

For further information, please contact:

Justin Reid, Managing Director

E: jreid@aguiaresources.com.au

T: +1 416-216-5446

Catherine Stretch, Chief Commercial Officer

E: cstretch@aguiaresources.com.au

T: +1 416-309-2695

Follow Agua on Twitter: @ Agua_Resources

Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448

About Agua:

Agua is a fertiliser company focused on the exploration and development of phosphate and potash projects in Brazil to supply the Brazilian agriculture sector. Brazil is Latin America’s biggest economy and is heavily reliant on imports of up to 50 per cent of its phosphate and 90 per cent of its potash needs. Agua is well positioned to capitalise on the growing demand for phosphorus and potash based fertilisers in the expanding agriculture sector in Brazil and controls three large projects, located close to existing infrastructure. The Company is committed to its existing projects whilst continuing to pursue other opportunities within the fertiliser sector.

Forward Looking Statements:

This news release contains forward looking statements, which relate to future events or future performance, including, but not limited to, the completion of the size of the Placement, receipt of regulatory approvals and timing thereof, the Company’s business strategies and plans for the use of such Placement proceeds, capital expenditure programs and estimates relating to timing and costs, and reflect management’s current expectations and assumptions, including, but not limited to the timing and receipt of necessary regulatory approvals and completion of the Placement and stability of general economic and financial market conditions. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe”, and similar expressions is intended to identify forward looking statements. Such forward looking statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties, including imprecision in estimate capital expenditures and operating expenses, stock market volatility, general economic and business conditions, risks associated with liquidity and capital resource requirements, that may cause future results to differ materially from those expected and the forward looking statements included in this news release should not be unduly relied upon. These forward looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.